

5/21 10:36a

Chapter No. 940

10/HR03/R1885SG

js / jab

## ***HOUSE BILL NO. 1723***

Originated in House Don Richardson Clerk

HOUSE BILL NO. 1723

AN ACT TO AUTHORIZE THE GOVERNING AUTHORITIES OF THE TOWN OF COMO TO LEVY A TAX UPON HOTELS AND MOTELS DERIVED FROM ROOM RENTALS AND UPON THE GROSS PROCEEDS OF SALES OF FOOD AND BEVERAGES AT RESTAURANTS; TO PROVIDE THAT THE REVENUE FROM THE TAX SHALL BE EXPENDED BY THE TOWN OF COMO TO PROMOTE TOURISM AND PARKS AND RECREATION; TO PROVIDE THAT THE TAX SHALL BE COLLECTED BY THE STATE TAX COMMISSION AND PAID TO THE TOWN OF COMO; TO PROVIDE FOR AN ELECTION ON WHETHER THE TAX MAY BE LEVIED; AND FOR RELATED PURPOSES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

**SECTION 1.** As used in this act, the following terms shall have the following meanings unless a different meaning is clearly indicated by the context in which they are used:

(a) "Governing authorities" means the governing authorities of the Town of Como.

(b) "Hotel" or "motel" means any establishment engaged in the business of furnishing or providing rooms intended or designed for dwelling, lodging or sleeping purposes to transient guests, where the establishment consists of six (6) or more guest rooms. The term "hotel" or "motel" does not include any hospital, convalescent or nursing home or sanitarium, or any hotel-like facility operated by or in connection with a hospital or medical clinic providing rooms exclusively for patients and their families.

(c) "Restaurant" means all places where prepared food and beverages are sold for consumption on the premises. The term "restaurant" does not include any school, hospital, convalescent or nursing home, or any restaurant-like facility operated by or in connection with a school, hospital, medical clinic, convalescent

or nursing home providing food for students, patients, visitors or their families.

**SECTION 2.** (1) For the purpose of providing funds to promote tourism and parks and recreation in the Town of Como and the immediate surrounding area, the governing authorities are authorized, in their discretion, to levy and collect from the following persons a tax, which shall be in addition to all of the taxes and assessments imposed. The tax shall be imposed on the following persons:

(a) A tax upon every person, firm or corporation operating a hotel or motel in the Town of Como, at a rate not to exceed One Dollar (\$1.00) per night for each occupied room in such hotel or motel.

(b) A tax upon every person, firm or corporation operating a restaurant in the Town of Como, at a rate not to exceed two percent (2%) of the gross proceeds from the sale of food and beverages in restaurants.

(2) Persons, firms or corporations liable for the levy imposed under subsection (1) of this section shall add the amount of the levy to the sales price of the rooms and products set out in subsection (1) of this section and shall collect, insofar as is practicable, the amount of the tax due by them from the person receiving the services or product at the time of payment therefor.

(3) The tax shall be collected by and paid to the Mississippi State Tax Commission on a form prescribed by the State Tax Commission in the manner that state sales taxes are computed, collected and paid; and full enforcement provisions and all other provisions of Chapter 65, Title 27, Mississippi Code of 1972, shall apply as necessary to the implementation and administration of this act.

(4) The proceeds of the tax, less three percent (3%) thereof which shall be retained by the State Tax Commission to defray the cost of collection, shall be paid to the governing authorities on



or before the fifteenth day of the month following the month in which collected.

(5) The proceeds of the tax shall not be considered by the Town of Como as general fund revenues but shall be dedicated to and expended solely for the purposes specified in this section.

**SECTION 3.** Before any tax authorized under this act may be imposed, the governing authorities shall adopt a resolution declaring their intention to levy the tax, setting forth the amount of the tax to be imposed, the date upon which the tax shall become effective and calling for an election to be held on the question. The date of the election shall be fixed in the resolution. Notice of such intention and the election shall be published once each week for at least three (3) consecutive weeks in a newspaper published or having a general circulation in the Town of Como, with the first publication of the notice to be made not less than twenty-one (21) days before the date fixed in the resolution for the election and the last publication to be made not more than seven (7) days before the election. At the election, all qualified electors of the Town of Como may vote, and the ballots used in the election shall have printed thereon a brief statement of the amount and purposes of the proposed tax levy and the words "FOR THE TAX" and, on a separate line, "AGAINST THE TAX" and the voters shall vote by placing a cross (X) or check (✓) opposite their choice on the proposition. When the results of the election shall have been canvassed and certified, the town may levy the tax if sixty percent (60%) of the qualified electors who vote in the election vote in favor of the tax. At least thirty (30) days before the effective date of the tax provided in this section, the governing authorities shall furnish to the State Tax Commission a certified copy of the resolution evidencing the tax.

**SECTION 4.** Accounting for receipts and expenditures of the funds herein described shall be made separately from the accounting of receipts and expenditures of the general fund and

**SECTION 7.** This act shall take effect and be in force from and after the date it is effectuated under Section 5 of the Voting Rights Act of 1965, as amended and extended.

PASSED BY THE HOUSE OF REPRESENTATIVES  
March 27, 2010

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PASSED BY THE SENATE  
April 23, 2010

PRESIDENT OF THE SENATE

APPROVED BY THE GOVERNOR

GOVERNOR